FINAL BILL REPORT 2SSB 5214

Synopsis as Enacted

Brief Description: Concerning economic assistance programs.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Nguyen, Dhingra, Darneille, Das, Frockt, Hasegawa, Hunt, Kuderer, Liias, Lovelett, Nobles, Robinson, Stanford and Wilson, C.).

Senate Committee on Human Services, Reentry & Rehabilitation Senate Committee on Ways & Means House Committee on Housing, Human Services & Veterans House Committee on Appropriations

Background: Temporary Assistance for Needy Families. Temporary assistance for needy families (TANF) was created under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. TANF is a federal block grant providing temporary cash assistance, subsidized childcare, and work programs for families. States use TANF block grants to operate their own programs. State programs differ, but operate in accordance with the following purposes set forth in federal law:

- providing assistance to needy families so children may be cared for in their own homes or in the homes of relatives;
- ending the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- preventing and reducing the incidence of out-of-wedlock pregnancies and establishing annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- encouraging the formation and maintenance of two-parent families.

There is a federal life time limit of receiving TANF benefits for 60 months after July 27, 1997.

<u>WorkFirst.</u> WorkFirst is Washington State's TANF program which was initiated in 1997. The program has a number of requirements, many of which are federally required. For example, there is a federally imposed 60-month lifetime limit for receiving a cash grant

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TANF, unless the reicipient qualifies for an exemption.

There are exceptions to the 60-month lifetime limit of receiving TANF benefits. Federal law limits hardship exemptions to 20 percent of the caseload. Current exemptions include:

- by reason of hardship, including when the recipient's family includes a child or youth who is without a fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act—Title 42 U.S.C., chapter 119, subchapter VI, part B—as it existed on January 1, 2020; and
- if the family includes an individual who meets the family violence options of section 402(A)(7) of Title IVA of the federal social security act as amended by P.L. 104-193

<u>Unemployment.</u> The official unemployment rate is known as U3. It defines unemployed people as those who are willing and available to work, and who have actively sought work within the past four weeks. The U3 unemployment rate for December 2020 in Washington was 7.1 percent.

Summary: A person may qualify for a hardship extension to the 60-month lifetime limit on TANF benefits if they received a TANF cash grant during a month on or after March 1, 2020, when Washington's unemployment rate is at or above 7 percent. The extension is equal to the number of months that the person received a TANF grant during a month of high unemployment, and the extension must be applied sequentially to any other extensions that may apply.

All families who received TANF since March 1, 2020 are eligible for a hardship extension, regardless of whether they are current recipients. Eligible families will only receive TANF benefits that accrue after the effective date of this act.

If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

Votes on Final Passage:

Senate 29 19

House 85 13 (House amended) Senate 31 18 (Senate concurred)

Effective: This act takes effect July 1, 2023, only if specific funding for extending the 60-month time limit through the 2021-2023 biennium, is provided by June 30, 2021, in the Omnibus Appropriations Act. If specific funding for extending the 60-month time limit through the 2021-2023 biennium is not provided by June

30, 2021, in the Omnibus Appropriations Act, this act takes effect 90 days after final adjournment of the legislative session in which it is enacted.

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